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1 cut-through is noon. The other translation-type  
2 orders are 3:00 p.m.  
3 A. [BARRY] And the cut-through, just to  
4 clarify: If it is received before noon, you'll have  
5 one business day. If it's received after noon,  
6 you'll have two business days.  
7 MS. LICHTENBERG: Thank you. That's  
8 all.  
9 MS. CARPINO: Mr. Sivori?  
10 MR. SIVORI: I have one question. It's  
11 for Mr. Toothman.  
12 CROSS-EXAMINATION  
13 BY MR. SIVORI:  
14 Q. Yesterday you complimented WorldCom, by the  
15 way, and I appreciate that, on the thoroughness of  
16 our review of documentation.  
17 A question for you: An LSOG 4 testing  
18 of loop, you stated that it was a clarification,  
19 most cases were a clarification, and I assume  
20 business rules. Did I hear that right?  
21 A. [TOOTHMAN] Said testing of loop.  
22 Q. I wrote it down as you said it, I thought.  
23 LSOG 4 testing of loop, we had an activity log or an  
24 issues log?

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1 A. [TOOTHMAN] What I was referring to is, when  
2 MCI responded to the data request, you produced  
3 issues logs, one for order, one for preorder, and  
4 one for testing, and then a subsequent version of  
5 all three.  
6 Q. Did any of those items or those issues on  
7 the issue log turn into a flash announcement or a  
8 flash release out of change management?  
9 A. [TOOTHMAN] I'm not sure. Possibly could  
10 have.  
11 MR. SIVORI: Could we make that a data  
12 request?  
13 MS. CARPINO: Could you repeat it?  
14 MR. SIVORI: We'd like to see the issues  
15 log that WorldCom produced through Verizon for LSOG  
16 4 testing resulting in flash announcements to the  
17 industry. We'd like to see the number that came out  
18 of that.  
19 MR. GOLDMAN: A list of them.  
20 MS. CARPINO: The list of flash  
21 announcements.  
22 MR. SIVORI: Correct. Numbers would be  
23 fine.  
24 MS. CARPINO: That's proposed Record

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1 Request BB.  
2 A. [TOOTHMAN] To clarify, you're talking about  
3 all three logs, every issue in all three logs?  
4 Q. Yes.  
5 (RECORD REQUEST.)  
6 MR. SIVORI: That's all I have.  
7 MS. CARPINO: I think we only have a few  
8 Department questions, and then we would have Verizon  
9 redirect.  
10 MR. ROWE: We would hold our redirect  
11 until we have CLEC panels.  
12 MS. CARPINO: Why don't we finish the  
13 Department questioning, and then we can take a  
14 ten-minute break, and then do the CLEC panels.  
15 EXAMINATION  
16 BY MR. SIMON:  
17 Q. I'm not entirely sure who to direct this to,  
18 but I believe it may be you, Ms. Canny. Paragraph  
19 74 of the supplemental OSS affidavit, discussing  
20 KPMG's evaluation of billing completion notices.  
21 A. [CANNY] Okay.  
22 Q. It notes that KPMG calculated their  
23 timeliness of billing completion by using the  
24 completion-date element returned on the BCN

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1 response. Is that always going to be different from  
2 the CRIS billing completion date, which is what I  
3 believe is used in the C2C metrics?  
4 A. [CANNY] We use the information that's on  
5 the service order itself where the CRIS completion  
6 date is, yes.  
7 Q. Where does the completion date on the BCN  
8 response come from?  
9 A. [CANNY] That's actually an open issue in a  
10 carrier working group, to determine that. That's a  
11 discussion element. I'm not sure what that date is.  
12 Q. The CRIS completion date: Do CLECs have  
13 access to that information?  
14 A. [CANNY] To the extent that we provide them  
15 with a flat file that has their ordering completion  
16 information, that would be in the flat file.  
17 Q. Now referring to the -- it begins on  
18 Paragraph 75 of the supplemental OSS affidavit.  
19 This is dealing with the AT&T production test. The  
20 one issue that I didn't hear any discussion of was  
21 AT&T's claim that it incorrectly received completion  
22 notices on canceled orders. Is there anybody that  
23 can respond to that issue -- as to whether that is  
24 in fact what has happened, and, if so, if there's a

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1 reason for that? It wasn't addressed in the  
2 affidavit itself. It's Page 23 of AT&T's July  
3 comments.

4 A. [McLEAN] I'd have to see the actual words,  
5 because.... (Pause.)

6 It's my understanding that there was a  
7 software defect that was encountered when all of the  
8 orders on an LSR were canceled, that we were  
9 incorrectly triggering a provisioning completion  
10 notice instead of a local service confirmation.

11 Q. Do you know offhand if that's been fixed?

12 A. [McLEAN] Yes, it has.

13 MS. CARPINO: Let's take a ten-minute  
14 break right now. We'll come back with the CLEC  
15 witnesses.

16 (Recess taken.)

17 MS. CARPINO: Let's go back on the  
18 record. We are going to hear presentations from  
19 some CLEC witnesses right now, the first of whom has  
20 already been administered the oath, so I don't need  
21 to do that. Mr. Hazzard, would you like to  
22 introduce your witness?

23 MR. HAZZARD: Mike Hazzard, Kelley Drye,  
24 on behalf of Z-Tel Communications. May I present

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1 For a residence where a cut-through is  
2 available Verizon's retail representatives are able  
3 to confirm a next-day due date while the customer is  
4 on the phone. For the same service at the same  
5 location our order would fall out to the TISOC for  
6 manual processing. Under the carrier-to-carrier  
7 guidelines Verizon has 24 hours to confirm that  
8 order back to us. We cannot confirm a due date to  
9 our customer until we receive that confirmation from  
10 Verizon. If a customer is shopping for service, he  
11 or she will likely pick the carrier that can  
12 guarantee next-day delivery of that service -- in  
13 this case, Verizon.

14 The third issue, and the one with the  
15 most severe impact on customers, is the line-loss  
16 requirement. Generally the way we find out that  
17 this report is inaccurate is that a customer calls  
18 to complain that he has left us, is no longer our  
19 customer, and yet we are still billing him or her.  
20 We then have to double-check the loss-of-line report  
21 to make sure it wasn't our mistake. We have to file  
22 a trouble ticket with Bell Atlantic to find out why  
23 that line was not on the report. Then we have to  
24 call the TISOC to find out if that customer has

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1 Peggy Rubino of Z-Tel.

2 PEGGY RUBINO, Witness

3 WITNESS RUBINO: The statement I filed  
4 in July addressed three OSS issues that have  
5 hampered our ability to do business in the former  
6 Bell Atlantic states. Today I'll just provide a  
7 brief update on each of these three issues.

8 On the first issue, GUI outages, I'm  
9 happy to report that we have not seen extended GUI  
10 outages since my comments were filed in July.

11 The second issue was the use of the  
12 cut-through indicator to set appointments for moves  
13 or new installations. In this proceeding Verizon  
14 has committed to implement flow-through  
15 functionality for UNE-P with cut-through in the  
16 summer, although I understand from this morning's  
17 conversations that there may be some question about  
18 whether that's a 100 percent certainty that it will  
19 be implemented in December, so we'll look forward to  
20 clarification from Bell Atlantic on that. This  
21 functionality is important to our business. While  
22 the work-around employed by Verizon does give us  
23 shorter intervals than the use of the SMARTS clock  
24 would, it is not parity with Verizon retail.

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1 indeed left us, and if so, on what date. This is a  
2 waste of our time, it's a waste of Verizon's time,  
3 and it's a waste of the customer's time. CLECs need  
4 to be able to rely on the accuracy of this report.

5 CLECs and the change-control group have  
6 been requesting for months that Verizon host a  
7 working group to address the deficiencies in this  
8 report. We support that request and encourage Bell  
9 Atlantic, Verizon, to follow through and institute  
10 such a working group. Thank you.

11 MS. CARPINO: Thank you. Does Verizon  
12 have any questions?

13 MR. BEAUSEJOUR: We have no questions.

14 MR. SIMON: Ms. Rubino already answered  
15 my questions in her statement, so thanks.

16 MS. RUBINO: You're welcome.

17 MS. CARPINO: There appear to be no  
18 questions for Ms. Rubino. Thank you very much for  
19 your time. It was nice seeing you again.

20 Ms. Scardino, would you like to  
21 introduce your witness?

22 MS. SCARDINO: Sure. Rhythms has two  
23 witnesses on OSS, Luke Conry and Torre McKiver.  
24 Both are managers of ILEC relations and regulatory

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1 affairs for the Verizon region. Both Luke and Torre  
2 report to Robert Williams, who filed testimony in  
3 this proceeding on July 18th, and they adopt his  
4 testimony.

5 MS. CARPINO: Will the witnesses please  
6 raise your right hand.

7 LUKE CONRY and TORRE D.  
8 McKIVER, Witnesses

9 MS. CARPINO: Do you swear or affirm  
10 that the testimony you are about to give is the  
11 whole truth?

12 THE WITNESSES: Yes.

13 MS. CARPINO: If you have a  
14 presentation, you may give it at this time.

15 WITNESS CONRY: I have a couple of  
16 comments to make. As Kim just said, my name is Luke  
17 Conry. Good afternoon. I'm an ILEC manager in the  
18 regulatory affairs team with Rhythms in Englewood,  
19 Colorado, and also a proud retiree of NYNEX. Also,  
20 more importantly, I'm a customer of now Verizon.

21 I say that because, being a former  
22 network service manager, I fully understand the love  
23 affair that Bell Atlantic or NYNEX has with their  
24 top revenue-bearing customers, and I feel that

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1 I would assume that with the acquisition  
2 of Northpoint and its presence on the West Coast  
3 that now Verizon will probably accommodate the CLEC  
4 industry and extend their hours. I would assume  
5 that because they'll have to deal with their  
6 customers now that are on the West Coast, and it's  
7 unfortunate that that's the way we're going to  
8 benefit from the extended hours. I would have  
9 thought that Verizon would accommodate us as  
10 customers without having to have Northpoint be  
11 bought by them, in order to get those hours  
12 extended. So it works out for us, but it's really  
13 not the way that we would have like to have seen  
14 that happen.

15 Also, we find on occasion where the  
16 communications gap between Verizon and Rhythms is  
17 not, we're not always on the same page. There is a  
18 large learning curve for the DSL provider. We don't  
19 talk the same language. Bell Atlantic has a  
20 language that's indigenous to its 125-year history,  
21 and sometimes it doesn't fit with the way that  
22 Rhythms does business. And, and we have a  
23 communications gap with our provisioners and with  
24 our technicians as to the difference between, you

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1 Rhythms is one of them and that we give Bell  
2 Atlantic a large amount of money and sometimes are  
3 not looked upon as a, quote-unquote, "customer."  
4 When I have the opportunity to say that, I like to,  
5 and I use it a lot of times when we're escalating  
6 and when we're dealing with the collaboratives or if  
7 we're dealing in the line-sharing project. I always  
8 like to bring up the fact that we are a customer and  
9 we would like to have that message sent down to  
10 those that think that the CLEC is a dirty word, and  
11 it isn't.

12 Some of the testimony that was given  
13 yesterday by Covad is testimony that we partner with  
14 and agree with, and it has to do with, for example,  
15 the hours in the TISOC. Being in Englewood,  
16 Colorado, where our operations center is, there's a  
17 two-hour difference in time, which doesn't allow us  
18 during our business day to speak with a TISOC  
19 representative on an issue that we may have on an  
20 order that is in front of us, because their TISOC is  
21 closed. I know Mr. Barry said yesterday that they  
22 do stick around and work on their orders, but they  
23 don't accept calls from the customer. That's  
24 unfortunate.

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1 know, a dial-tone company and a data company. We  
2 work towards that on a daily basis, but we'd like to  
3 see Verizon become more proactive in training its  
4 people in the data arena.

5 One other thing I'd like to mention that  
6 has really, really been a problem early on, when  
7 Rhythms got into the Bell Atlantic footprint to  
8 provide DSL orders, and that is the SBN issue that  
9 we face in Bell Atlantic North. In Bell Atlantic  
10 South SBNs are assigned per customer, so there's one  
11 SBN for Rhythms in Bell Atlantic South. In Bell  
12 Atlantic North there is an SBN for every product  
13 that we order, so if we're ordering IDSL or we're  
14 ordering xDSL, each CLLI code or each central office  
15 has an SBN. So if you're in 80 cities and towns in  
16 Massachusetts, you need 160 SBNs, and it's a huge  
17 issue to manage. We have requested numerous times  
18 to Bell Atlantic to go to the single SBN issue that  
19 we enjoy in the south, and it's never happened.

20 So the SBN issue is very, very difficult  
21 to manage. There's changes and there's typos. It  
22 comes on an Excel spreadsheet. Rhythms when they  
23 first came into the Bell Atlantic footprint  
24 literally went months without getting the SBN. It

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1 was very, very difficult to get them, for whatever  
2 reasons. We did work through it, but it was a  
3 challenge. But I would request that Bell Atlantic  
4 would really look at, or Verizon would really look  
5 at, the issue of SBNs in the north and adopt the  
6 same policy that they use in the south.

7 MS. SCARDINO: Mr. Conry, what is an  
8 SBN?

9 WITNESS CONRY: It's a special billing  
10 number, and it's indigenous to the product.

11 MS. SCARDINO: What do you have to do  
12 with the SBN?

13 WITNESS CONRY: It's part of the LSR.

14 MS. SCARDINO: And an LSR is?

15 WITNESS CONRY: Local service request.

16 MS. SCARDINO: And you need to put on it  
17 the SBN in order to submit the order?

18 WITNESS CONRY: Yes, and many times  
19 you're talking about putting in a clean LSR, and  
20 that's when the clock started ticking. There were  
21 many occasions where the LSR was queried back to  
22 Rhythms with an incorrect SBN, and how could the SBN  
23 be incorrect? The SBN was given to us by Bell  
24 Atlantic. We had to go through this painstaking

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1 Rhythms uses two systems, Verizon's two  
2 systems, which are, for preordering and line sharing  
3 we use the Web GUI and for our regular ordering we  
4 use EDI. Rhythms has experienced several outages in  
5 the past and problems with the Web GUI, getting into  
6 the Web GUI, stall time, availability. We've  
7 experienced several problems with the Web GUI. We  
8 in fact, when we started using it, we used the  
9 SuperiorNet ID cards and have subsequently moved to  
10 accessing the Web GUI via the Internet.

11 However, as I said, we have experienced  
12 several problems, one being the different LSOG  
13 versions. We are currently using 2.5, and  
14 subsequently they've released a different version, I  
15 believe it was 3.0 or 3.5 -- I'm not sure of the  
16 specific version. In that release there was a  
17 problem with address validation. We had  
18 subsequently escalated the issue to our service  
19 manager because, as Mr. Conry had stated, our people  
20 would put out orders and our other service  
21 representatives who put out our orders are based out  
22 of Colorado, so they don't have any idea of  
23 specifically, being in Virginia, the cities in  
24 Massachusetts, whether it would be avenue, street,

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1 escalation process to get the correct SBNs. So, you  
2 know, the two products that we order in New  
3 England -- actually three; I believe there's an SBN  
4 for the digital design loop, also, so there could be  
5 a third SBN. And if there was to be any other  
6 product that we might choose to order from Bell  
7 Atlantic, it would be another SBN in the north. So  
8 with every product it's another SBN. So you've got  
9 a big bucket of SBNs.

10 MS. SCARDINO: So is your request that  
11 Bell Atlantic adopt the practice that it does in the  
12 southern region, whereby a single SBN is provided to  
13 the CLEC to populate the local service request?

14 WITNESS CONRY: Right. In the south  
15 Rhythms has a single SBN, and it's used on every  
16 single LSR that they process.

17 WITNESS McKIVER: Good afternoon. I'm  
18 Torre McKiver, regulatory affairs and national  
19 deployment manager for Rhythms, Luke's counterpart.  
20 This afternoon I'd like to address some OSS issues  
21 as they face Rhythms. Specifically, I'd like to  
22 speak about the Web GUI, EDI, as well as the Bell  
23 Atlantic help desk, which is now the wholesale help  
24 desk.

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1 or whatever. They don't have a clue. If it's not  
2 exactly -- if the information for address validation  
3 isn't put in specifically, the way that it is in  
4 Verizon's database, the word is rejected. So  
5 because that was a glitch in that version of the Web  
6 GUI release, our orders were being rejected.

7 As I say, we escalated it to a service-  
8 manager level, and his response was, "How about you  
9 use the next LSOG?" I think that was an  
10 unacceptable response considering it's up to Rhythms  
11 to manage our OSS and our business, and if the  
12 version that we've built our system to is permitted,  
13 we should be able to get a fix that would allow us  
14 to put our orders in via that system.

15 However, we did come on line with EDI,  
16 as I said, in April, and so we only use Web GUI for  
17 address validation now. EDI, in our using EDI to  
18 put our orders in, we've definitely had -- it was a  
19 struggle to even get into performing EDI. As Mr.  
20 Toothman had said yesterday, there were some people  
21 that are using EDI, who are testing with EDI, who  
22 have moved into the EDI arena. As I said, Rhythms  
23 has had a very difficult time moving into EDI, and  
24 subsequently, as we've been using EDI, we've had

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1 several problems.

2 We currently have several open trouble  
3 tickets into the Verizon help desk. I'll swing back  
4 into the Bell Atlantic help desk after I talk about  
5 EDI. We are having specific problems with EDI in  
6 that we're getting erroneous files deposited into  
7 our VAN mailboxes and have subsequently reported it  
8 to Verizon. Basically the resolution was, "It's not  
9 your file. Just ignore it." We haven't been given  
10 any root-cause analysis as to what the problem was  
11 or what caused the problem.

12 MS. CARPINO: And how long ago did this  
13 happen?

14 WITNESS McKIVER: Actually, it occurred  
15 when we first entered into the EDI arena, so it was  
16 in April, and subsequently happened again  
17 eventually. We have two open trouble tickets.

18 The second issue that we have with EDI  
19 is, our orders were being rejected, erroneously  
20 being rejected, for defective characters for some  
21 reason. We opened up a trouble ticket with Bell  
22 Atlantic, and there again hasn't been a root-cause  
23 analysis.

24 The only way that we get resolution

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1 on the problem, which was reported incorrectly.

2 Subsequently, now that they've passed  
3 into the wholesale help desk, or they've combined  
4 and moved their services, as I said, we're still not  
5 experiencing receiving callbacks in a timely manner,  
6 and we also are not receiving root-cause analysis  
7 for the problems that have been reported. So they  
8 may say, you know, this was the problem, and we see  
9 that this is a problem, but we never find out what  
10 caused the problem or specifically what's going to  
11 correct it. As indicated earlier, we have the  
12 zero-byte problem again, and it's not resolved  
13 again.

14 MS. CARPINO: Are there any questions  
15 from Verizon?

16 MR. BEAUSEJOUR: We have no questions.

17 MS. CARPINO: The Department has no  
18 questions. Thank you very much for your time. Off  
19 the record.

20 (Discussion off the record.)

21 MS. CARPINO: Back on the record. We're  
22 now going to hear a presentation from Ms. Karen  
23 Kinard.

24 KAREN KINARD, Witness

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1 generally through Verizon is escalations, to  
2 escalate. We find that, as Mr. Conry has stated,  
3 it's not the way you do business and that's not the  
4 way you treat customers. I, too, was a systems  
5 engineer in one of the big three, working for Bell  
6 Atlantic at the time, one of their big three  
7 customers, and we never did business that way. Bell  
8 Atlantic never treated its customers that way. So I  
9 have a problem with the difference of philosophy  
10 that I'm seeing in the CLEC community and the way  
11 that they're facing the CLEC community.

12 As I stated earlier, the Bell Atlantic  
13 help desk has also been an issue. I know recently  
14 they've moved to the wholesale market. Originally,  
15 as a Bell Atlantic help desk, when we would turn in  
16 trouble tickets to them, the first point of contact  
17 was not an eligible individual. The person would  
18 frequently report the information incorrectly -- we  
19 never got a call back to give status, and when we  
20 did call back to get a status and we finally got  
21 bumped up to the second tier or the second, I guess,  
22 point of contact, the person would say, "Well, the  
23 information in the ticket isn't quite right. We  
24 need to recode it." Then they had to begin working

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1 MS. CARPINO: Do you swear or affirm  
2 that the testimony you are about to give will be the  
3 whole truth?

4 WITNESS KINARD: Yes, I do.

5 When I heard the pricing people this  
6 morning talking about eyes glazing over, I realize  
7 that that might have been today, compared to  
8 metrics, the Jerry Springer part of this program. I  
9 thank you for bearing with us on the details,  
10 because the details are important. This is our  
11 insurance plan. I feel bad beating up on some of  
12 the Bell Atlantic people about these things, but I  
13 know they put good people here when they're trying  
14 to get 271 approval. But the metrics ensure that  
15 the performance stays good when you all get promoted  
16 or you go to CLECs or whatever in the future. So  
17 these are very important now.

18 Massachusetts was ahead of the game in  
19 doing self-executing remedies in the contract. They  
20 realized that New York kept doing metrics for over a  
21 year after they were done and incorporated the  
22 learning from New York in the metrics. There's two  
23 important proceedings that are still open on making  
24 those metrics permanent in Massachusetts, and to

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1 increase the remedies, because from what we're  
2 seeing in self-executing remedies -- and we're still  
3 having problems finding them in our bills -- is that  
4 for the last year's worth of remedies the level for  
5 the first quarter is about the same level as all the  
6 last year. So these remedies are not improving  
7 performance, and they usually fall in the same loop  
8 areas on intervals and repair commitments. So  
9 definitely the remedies need to be increased.

10 I'll only bring up one issue from that  
11 separate proceeding, because it kind of relates to  
12 pricing. Verizon proposed a cap in Massachusetts  
13 that they said was adjusted from New York based on  
14 lines; but the FCC's order used profit per line to  
15 do the cap. So instead of \$100 million, if you used  
16 the FCC's equation, it should be 141, 142 million  
17 for Massachusetts, because there's more profit per  
18 line in Massachusetts. You know, I'm not a pricing  
19 person like Vijetha, but you can tell that maybe the  
20 competition level isn't the same because of those  
21 pricing differences, and maybe there is some room  
22 for improvement on pricing the services.

23 The other thing I've been concerned  
24 about and asking questions about has to do with some

1 proceeding, new measurements, and there are some  
2 issues raised by KPMG and talked about with  
3 help-desk support today, that I think underscores  
4 that need. In the New York KPMG report Bell  
5 Atlantic first had a not satisfied on a help desk,  
6 when they found that 40 percent of the responses  
7 took longer than two days and I think it was 17  
8 percent took -- or they said a significant number  
9 took longer than 11 days. But here they passed,  
10 with 39 percent taking longer than two days and 14  
11 percent longer than 28 days. They also retested in  
12 New York to an internal standard provided by Bell  
13 Atlantic of 90 percent answered in 24 hours for  
14 Severity 1, 48 hours for Severity 2, and they  
15 passed. They don't seem to be passing that now, nor  
16 does KPMG for the TISOC be able to find a standard  
17 now in Massachusetts.

18 So I think if we had a metric on help-  
19 desk responsiveness, that would keep that metric in  
20 good stead, even if KPMG used the same standard as  
21 it did in New York and finding it satisfied or not,  
22 which didn't seem to be the case here.

23 If I look at the KPMG report on flow-  
24 through, I have a feeling of here we go again.

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1 of our under-development purgatory issues. These  
2 are metrics that have been under development forever  
3 and ever. Some of these, even in New York, EELs  
4 metrics were approved a long time ago. They weren't  
5 done for KPMG to replicate there. They weren't done  
6 for Massachusetts for them to replicate here.

7 I talked about the flow-through metric,  
8 where I do think we do have what's included and  
9 excluded to find for New York. It's not being  
10 reported here yet. In New York they have total  
11 flow-through, which is being reported here, and  
12 achieved flow-through, and they have a remedy where  
13 if the two together for a quarter isn't 80 percent,  
14 they pay a very large penalty. I don't think they  
15 can achieve that level here in Massachusetts.

16 We also talked yesterday about all the  
17 hot-cut measurements that were designed to catch the  
18 problems of hot cuts, which is a very hard area to  
19 pick up all the things that could go wrong. I even  
20 brought up the ones that aren't even in discussion  
21 in New York as being changed, and they're still not  
22 implemented in Massachusetts yet. So that's another  
23 major issue for us.

24 I've also talked about, in the other

1 They're getting 99 percent levels. They're not  
2 running into the system error messages, SEMs, that  
3 caused our orders, that when we look at the list in  
4 the metrics, Attachment H, are designed to flow  
5 through, sometimes fall out because of pending  
6 orders and other issues. For some reason, they  
7 didn't have that problem, and we'll ask them next  
8 week. But originally the achieved flow-through was  
9 set at 99 percent because that's what they reached.  
10 Now here again, they reached 99 percent, but Bell  
11 Atlantic has trouble meeting the 95 percent because  
12 of these other issues.

13 I think when you talk about achieved  
14 flow-through, the recent strike shows why flow-  
15 through is important to us, because if these orders  
16 weren't falling to manual, they would still go  
17 through and get the same intervals, even with the  
18 strike going on. You know, they wouldn't be able to  
19 keep the human resources staffed enough to meet the  
20 even 24-hour interval for the electronic that fall  
21 to manual orders.

22 The other issue they raise regarding the  
23 average interval metrics. I know now -- and they  
24 may have implemented in March, where they

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1 automatically do the X-coding, but still they'll say  
2 the average intervals aren't showing you the proper  
3 comparisons because of the differences in order  
4 types. That's why we sought disaggregation, so you  
5 compare apples to apples and the orders that take a  
6 short period of time to a longer period of time. I  
7 know that in other jurisdictions Bell Atlantic has  
8 said that that's hard, to deal with all the USOC  
9 codes. In this proceeding they talked about a study  
10 that CLECs -- or they talked about the fact that  
11 CLECs order more features than they do for their own  
12 customers. I'm just wondering if there's a study as  
13 to whether that's true. We don't think, at least  
14 for WorldCom, that's been the case. We think, if  
15 anything, we may be a little less, if not on par,  
16 with the number of features we order versus entirely  
17 new orders.

18 We've also talked about our billing  
19 problems, not getting a bill for three months. From  
20 looking at their billing metrics, they're doing  
21 wonderfully. So either there's something wrong with  
22 the billing metric or it's another area that there's  
23 some kind of error in reporting. But that's not  
24 being picked up here.

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1 I know it's hard to listen to some of  
2 these details about metrics, and I just need to say  
3 that they will need to be revisited. There's a lot  
4 of orders coming out. The FCC has issued an order  
5 recently about 90 days should be the backstop  
6 interval for physical collocation, which makes us  
7 think we need to revisit Bell Atlantic's 105  
8 calendar days for physical. There are issues about,  
9 for DSL metrics, about how long it takes to augment  
10 a collocation for a DSLAM and a splitter, that we  
11 will have to come back and keep the metrics revised  
12 to the marketplace and the items that CLECs are  
13 ordering. And that all has to be in place.

14 Probably Massachusetts can't leave that  
15 to New York, because even if New York's monthly  
16 meetings on carrier-to-carrier do decide on metrics,  
17 you'll need a followup to make sure those metrics  
18 are introduced in Massachusetts as well and pick up  
19 Massachusetts issues.

20 So that ends my testimony. If you have  
21 any questions, I'd be glad to take them.

22 MS. CARPINO: Thank you. Does Verizon  
23 have any questions?

24 MR. BEAUSEJOUR: We have no questions.

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1 MS. CARPINO: The Department has no  
2 questions, either. But before you leave, do you  
3 also adopt statements you made before this  
4 Department in this proceeding last year as the whole  
5 truth?

6 WITNESS KINARD: Yes, I do.

7 MS. CARPINO: Mr. Salinger, your  
8 witness.

9 MR. SALINGER: Thank you. AT&T presents  
10 Mr. William Carmody. We've already provided the  
11 Department with a lot of information about OSS's in  
12 our prefiled comments, in our comments on the KPMG  
13 draft report, in discovery responses. We've fleshed  
14 out some other issues in cross-examination earlier  
15 today. Mr. Carmody will not replot that ground, but  
16 he is going to respond to some particular statements  
17 in the supplemental Verizon OSS affidavit filed on  
18 August 4th. With that, I'd ask Mr. Carmody to make  
19 his presentation.

20 WILLIAM B. CARMODY, Witness

21 MS. CARPINO: Mr. Carmody, I already  
22 administered the oath to you yesterday. Do you  
23 adopt statements you made last year?

24 WITNESS CARMODY: Yes.

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1 I am going to be referencing comments  
2 from Verizon's supplemental OSS affidavit, and I  
3 will be referencing the applicable sections in that  
4 affidavit that I will be referring my comments to.  
5 I will begin with Paragraph 26. It's in general  
6 preorder availability statement. Verizon claimed  
7 that preorder has been available 99 percent of the  
8 scheduled time during the first six months of this  
9 year.

10 We discussed a little bit about how that  
11 measurement takes place and the fact that there is  
12 an Enview robotic application that does checking.  
13 And I believe we heard from Ms. Canny in reference  
14 to also the inclusion of trouble tickets issued by  
15 CLECs.

16 In the case of AT&T and CORBA, we find  
17 it really astounding that there could be an  
18 availability of 99 percent for April given that  
19 there was an undisputed outage during April that  
20 lasted three days that AT&T experienced and by Bell  
21 Atlantic's own admission was Bell Atlantic's fault.  
22 This admission was made to AT&T by Marion Jordan,  
23 vice-president of Verizon, and took place  
24 approximately a week after that outage. So given

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1 that for three full days AT&T was unable to use the  
2 CORBA interface, it doesn't make sense to us that  
3 there could be a 99 percent availability report for  
4 that period of time.

5 I'd next like to reference Paragraph 38,  
6 in reference to flow-through rates. And Verizon,  
7 actually several sections after that, goes to great  
8 pains to explain two things, I think, and the two  
9 things are that flow-through rates are in part  
10 attributed to CLECs because of the way orders are  
11 issued by CLECs and also changed and corrections  
12 issued by CLECs, cancellations.

13 The other point, I think, of these  
14 sections are that flow-through is not necessarily  
15 important. We believe that flow-through is  
16 important, and it is a problem in that flow-through  
17 inherently leads to -- non-flow-through, I should  
18 say, inherently leads to delay and errors in orders.  
19 If you're given an opportunity -- and the activity  
20 I'll take is the case of UNE-L, and specifically  
21 UNE-L to the hot cuts. You have a time-sensitive  
22 order that's in place. That time-sensitive order  
23 takes 48 hours to get a confirmation from Bell  
24 Atlantic. In the case of outages that AT&T had

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1 discussed previously for UNE-L orders, if that order  
2 is not confirmed in 48 hours, you're forced into a  
3 method of reporting an outage by that help desk, who  
4 in turn has, you know, three days to turn around and  
5 find the missing notifier and send it back to the  
6 CLEC.

7 In the case of the outage for July that  
8 AT&T had mentioned, that effectively wipes out your  
9 ability to plan for those cutovers, for those  
10 hot-cut cutovers of customer orders.

11 So the inherent flow-through rate for  
12 UNE-L, which is low, leads you to scrambling and  
13 activities that take you out of your normal  
14 processes because the minute those orders are late  
15 you are now scrambling and trying to get processes  
16 adjusted for the fact that either Bell Atlantic has  
17 the order and believes that they confirmed it, which  
18 happened with us, when in fact you don't have a  
19 confirmation, you're not even planning on cutting  
20 that customer over.

21 So the bottom line there is that  
22 flow-through is an important issue. It's an  
23 especially important issue when you're dealing with  
24 a time-sensitive due date and a customer cutover

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1 that has to be coordinated within your own company  
2 and then coordinated with Bell Atlantic.

3 The next item I'd like to reference is  
4 Paragraph 62, in reference to Bell Atlantic's  
5 statement that missing-notifier problem was solved  
6 by introduction of Netlink. And again, the problem  
7 that AT&T experienced from July 19th through July  
8 27th did show that in fact there was a missing-  
9 notifier problem in that instance, and it took Bell  
10 Atlantic an unreasonably long time to correct that  
11 situation. There were many escalation calls that  
12 were conducted to get the right focus on the  
13 problem. However, even after multiple escalation  
14 calls, that problem lasted, you know, for eight or  
15 nine days and caused problems within our centers to  
16 make up for the fact that confirmations were not  
17 coming back. Bell Atlantic did eventually admit  
18 that there was a problem. We were actually  
19 experiencing problems, both Bell Atlantic North and  
20 South, for the same business unit, which caused  
21 twice as many problems as we thought we could deal  
22 with at any one time.

23 MR. SALINGER: Could you say precisely  
24 which eight- or nine-day period are you referring

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1 to?

2 WITNESS CARMODY: July 19th through July  
3 27th. Again, that problem caused AT&T severe  
4 problems in trying to coordinate and schedule hot  
5 cuts for our customers.

6 I'd next like to reference Section 75  
7 through 79 of Bell Atlantic's OSS supplemental  
8 affidavit, in reference to AT&T testing in  
9 Massachusetts. We discussed some of these issues.  
10 But the important thing, and what's puzzling -- both  
11 puzzling and troubling to AT&T is that Verizon would  
12 state that AT&T does not follow convention in  
13 sending back functional acknowledgments as a result  
14 of Verizon's sending confirmations, rejections, or  
15 completions to AT&T. We in fact believe that during  
16 the Massachusetts orders that were being sent to  
17 Bell Atlantic we were following that convention. I  
18 personally asked for samples of logs that show that  
19 functional acknowledgments were being sent to Bell  
20 Atlantic, and I did in fact verify that in fact that  
21 was taking place. So the puzzling thing is that  
22 Bell Atlantic is saying they have no receipt of such  
23 acknowledgments. The troubling thing is Bell  
24 Atlantic's statements about being certain that in



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1 fact those confirmations were sent back to AT&T.  
2 MR. SALINGER: Mr. Carmody, I think Ms.  
3 McLean suggested that AT&T had not been doing this  
4 prior to August 15th. The investigation you did  
5 about the test period for Massachusetts covered what  
6 period of time?

7 WITNESS CARMODY: It covered the period  
8 of time, the two last weeks of June, is when I asked  
9 for samples from my folks to confirm in fact that  
10 functional acknowledgments were being sent back to  
11 Bell Atlantic.

12 So again, we are due to get discovery  
13 data. I think, from Bell Atlantic in reference to  
14 the transmissions of those confirmations. I think  
15 that will help in trying to isolate why in fact that  
16 problem happened. But I would like to set the  
17 record straight in reference to the functional  
18 acknowledgments coming from AT&T. I think there is  
19 a problem if in fact Bell Atlantic has not  
20 recognized those functional acknowledgments coming  
21 back. I can understand why they believe, if they  
22 were looking at the missing confirmations that AT&T  
23 says they did not get, for those missing  
24 confirmations Verizon would not have functional

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1 actually notify us that in fact acknowledgments  
2 weren't being received.

3 MS. CARPINO: Mr. Carmody, do you know  
4 when this EDI protocol referenced in Paragraph 77  
5 went into effect, or how long it's been in  
6 existence?

7 WITNESS CARMODY: That's been a standard  
8 part of EDI. That's not anything that's new. The  
9 functional acknowledgement, the 997, is used and has  
10 been used for years and years as a trading-partner  
11 arrangements, so that any transaction that's  
12 initiated from one trading partner gets acknowledged  
13 by the other trading partner. You don't acknowledge  
14 others' acknowledgments, because otherwise you'd be  
15 in a loop. What you do in fact acknowledge is any  
16 transaction that has originated from the other  
17 trading partner.

18 MS. CARPINO: And AT&T has been adhering  
19 to this protocol for years and years and years?

20 WITNESS CARMODY: That's correct.

21 I'd like to continue on. Paragraph 99  
22 talks about line-loss reports and Verizon's  
23 statement that they are largely accurate. AT&T does  
24 not agree with that. AT&T has and continues to open

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1 acknowledgments, because AT&T did not receive those.

2 MR. SALINGER: Mr. Carmody, could you  
3 also explain the significance from your perspective  
4 of CLECs like AT&T sending back acknowledgments.  
5 What should Verizon be doing if they have sent a  
6 confirmation or other notifier but don't receive an  
7 acknowledgement back from a CLEC?

8 WITNESS CARMODY: Well, at AT&T, and  
9 probably most of the CLECs, when an order is sent,  
10 an LSR is sent, to Verizon, we expect an  
11 acknowledgement back. It's really the first check  
12 that in fact that LSR has been received by Verizon.  
13 So without that acknowledgement, you don't have any  
14 certainty that in fact your trading partner has  
15 received the LSR that you sent to them.

16 Conversely, with Verizon, Verizon should  
17 be confirming that they in fact are receiving  
18 acknowledgments. Verizon's statement about AT&T not  
19 following the convention really doesn't make sense  
20 to me, since we believe that we've been sending  
21 acknowledgments all along, for instance including  
22 New York, and the Massachusetts testing should have  
23 followed along with that convention, and they should  
24 have been aware and should have done something to

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1 up trouble tickets and supply Bell Atlantic with  
2 thousands of customer numbers for customers that are  
3 not appearing on loss-of-line reports. AT&T  
4 submitted as part of the discovery a list of several  
5 thousand customers that were in fact not on  
6 loss-of-lines reports, according to AT&T records,  
7 and we continue to do so.

8 The issue of loss of line is an  
9 important issue because, as mentioned before, I  
10 believe by representatives of Z-Tel, the customers  
11 that you have, you don't know that you've lost them,  
12 and inevitably they'll call up and complain either  
13 to you or to the Commission, and that would be then  
14 the DTE, that in fact the CLEC is still billing  
15 while a customer has either gone on to another CLEC  
16 or has gone back to Verizon for service. That issue  
17 causes us problems. It causes dissatisfaction  
18 problems to our customers. It can be a virtual  
19 guarantee that you'll never see that customer again.  
20 So you would certainly try to win back that customer  
21 at the first opportunity, but given their billing  
22 experience and the fact that you were extremely  
23 delayed in stopping billing for their service when  
24 previously with you would cause them not to come

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1 back.

2 The other issue was that in a separate  
3 statement that Bell Atlantic had provided, that was  
4 sent to the New York Public Service Commission --  
5 and I believe that was on May 26th --

6 MR. SALINGER: And the record  
7 cross-reference that I discussed with Mr. Sampson  
8 earlier is the Verizon response to DTE Information  
9 Request 6-4.

10 WITNESS CARMODY: The response in 6-4  
11 shows an electronic mail message that was sent out,  
12 I believe through Bell Atlantic change control, and  
13 was in fact a copy of a message going to the New  
14 York Public Service Commission. It essentially  
15 quotes that -- the CLEC feedback indicates that  
16 there are no significant current problems with the  
17 loss-of-line reports. I believe that was  
18 misleading. I personally sent back a message to  
19 Verizon change control to advise them of that.

20 MR. SALINGER: And since the end of May,  
21 Mr. Carmody, has AT&T continued to raise with  
22 Verizon issues regarding loss-of-line-report errors?

23 WITNESS CARMODY: Yes, we have. We have  
24 continued to open up trouble tickets for loss-of-

1 requests: AT&T has had a history with Verizon of  
2 pressing change requests through and unfortunately  
3 having to resort to escalations in order to push  
4 them through. The two examples that AT&T has  
5 documented -- namely, the fielded completions and  
6 electronic jeopardy notifications -- took,  
7 respectively, 19 months and 20 months from the  
8 initial period of when they were promised to be  
9 delivered to when they were actually delivered. In  
10 the case of those two change requests submitted by  
11 AT&T, we have documented the time schedule of what  
12 happened and when.

13 But the point of the issue is that the  
14 DTE should be aware that the New York Public Service  
15 Commission has had to intercede in order to get  
16 these two critical and necessary change requests put  
17 through by Verizon. Verizon in fact missed a  
18 commitment to the public service commission back in  
19 April and did in fact bring in fielded completions  
20 for June, and they were late, and they were forced  
21 to issue a bill credit in order to make up for that  
22 lateness of delivery.

23 MR. SALINGER: Just to pause there, Mr.  
24 Carmody, so the story is clear: In Paragraph 106 of

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1 line customers that are not appearing on the report.

2 MR. ISENBERG: Does there need to be a  
3 metric for loss-of-line reporting?

4 WITNESS CARMODY: I think the first  
5 issue is accuracy. As we mentioned before, Bell  
6 Atlantic talked about EDI delivery of loss  
7 notification, which people pressed for. But if it  
8 doesn't solve the accuracy problem, it's really not  
9 going to enhance anything. So the accuracy of the  
10 report really needs to be cleaned up. If there  
11 could be a metric developed that would measure that  
12 accuracy, we would welcome it, because we just can't  
13 continue in the loop of opening trouble tickets,  
14 feeding data to Bell Atlantic, being told that fixes  
15 will happen but the problem continues unabated.

16 MS. CARPINO: Mr. Carmody, do you have a  
17 copy of that e-mail you sent in response to the May  
18 26th Verizon e-mail?

19 WITNESS CARMODY: I can provide it.

20 MS. CARPINO: That will be proposed  
21 Record Request CC.

22 (RECORD REQUEST.)

23 WITNESS CARMODY: In reference to  
24 Paragraph 102 and CLEC-initiated OSS change

1 Verizon's supplemental OSS affidavit, Verizon  
2 indicates that it offered to implement fielded  
3 completions in December of 1999, that the CLECs  
4 requested that the implementation be delayed because  
5 of Y2K concerns, and then simply concludes by  
6 stating that it was implemented in June of 2000. Is  
7 that the full story for the implementation of that  
8 particular change?

9 WITNESS CARMODY: Well, in fact Verizon  
10 was aware that CLECs were hesitant about doing  
11 anything in December, '99, simply because of Y2K  
12 concerns. So really the proposed scheduling of this  
13 CR for December in light of all the Y2K concerns and  
14 the moratoriums that every company was going to go  
15 through was really just, in my opinion, a show of  
16 providing a date, when in fact they knew it was not  
17 actually going to happen.

18 MR. SALINGER: When was this first  
19 promised by Bell Atlantic?

20 WITNESS CARMODY: In effect, the fielded  
21 completions was promised during the UNE-P  
22 collaboratives in New York during 1998.

23 MR. SALINGER: And then after December  
24 of 1999, when that didn't happen because of Y2K

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1 concerns, was there an intermediate deadline that  
2 was ordered by the New York Public Service  
3 Commission for April, 2000 release?

4 WITNESS CARMODY: Yes. The New York  
5 Public Service Commission ordered that Bell Atlantic  
6 provide fielded completions within the April, 2000  
7 release.

8 MR. SALINGER: Did that happy?

9 WITNESS CARMODY: No, it did not.

10 MR. SALINGER: Please continue.

11 WITNESS CARMODY: I'd like to continue  
12 on to Paragraph 108, in reference to a change-  
13 control item involving ATN which AT&T had mentioned  
14 before.

15 MR. SALINGER: That's ATN?

16 WITNESS CARMODY: Account telephone  
17 number.

18 MR. SALINGER: And what's that?

19 WITNESS CARMODY: That is a data field  
20 that is required under certain circumstances on an  
21 LSR. In the case of the change in business rule --  
22 it was prior to the business-rule change -- it was  
23 considered otherwise optional, which means if you  
24 were populating that data, it didn't matter to Bell

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1 Due to problems that Bell Atlantic had on the  
2 Thursday before the release weekend, they could not  
3 handle any orders within the environment. On Friday  
4 AT&T sent test orders for Bell Atlantic in order  
5 that had the ATN populated as we had been doing  
6 business before -- namely, providing the ATN in most  
7 cases, if not all cases. And in fact the orders  
8 were subsequently rejected, confirmed, and then  
9 completed. AT&T filed specific orders with the data  
10 to the DTE to demonstrate that this in fact did  
11 happen.

12 So not only was change control not  
13 followed in providing this notice, but also the CTE  
14 environment did not operate according to the mirror  
15 of production that it should have been, in that  
16 AT&T's orders did not receive the same treatment  
17 that production orders would have been treated for  
18 that same release.

19 The practical impact of this was that  
20 AT&T spent several days trying to re-send orders --  
21 or send orders, I should say, to Verizon as a result  
22 of the problem that was identified and made  
23 escalation calls and effectively lost a full day's  
24 production and then subsequent days we spent trying

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1 Atlantic, you could send the data. Bell Atlantic in  
2 effect within the CTE environment had plans to  
3 change that item so that it would be otherwise  
4 prohibited. That would mean, of course, that any  
5 order that provided the ATN when in fact it was not  
6 required would be rejected by Bell Atlantic systems.

7 So in the case of this change -- and Mr.  
8 Toothman characterized it as a Type 1 change -- Bell  
9 Atlantic knew about this during testing, did in fact  
10 send an e-mail to AT&T back on June 7th, which means  
11 it was common knowledge within Bell Atlantic that  
12 the change was going to happen. Due to the  
13 notification by Bell Atlantic, however, that a  
14 bulletin would follow, AT&T did not make the change.  
15 The issue was that because BA South orders were in  
16 fact rejecting for this issue but Bell Atlantic  
17 North orders were not rejecting for this issue, AT&T  
18 continued to test for BA North and in fact was using  
19 LSOG 4 for June only for BA North.

20 The other issue here is the issue around  
21 the CTE environment and what happened during AT&T's  
22 testing of the CTE environment. Because the change  
23 was rolled in the Wednesday before the release  
24 weekend, into the Bell Atlantic test environment.

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1 to send out orders that were backlogged to Verizon.  
2 These delays obviously resulted in delays in  
3 customers getting their service as well as time and  
4 expense to AT&T.

5 MR. SALINGER: Just so the record is  
6 clear: The document Mr. Carmody was referring to  
7 was provided by AT&T in response to a discovery  
8 request from the Department. That's DTE-AT&T-1-8.

9 Mr. Carmody, does that complete your  
10 presentation?

11 WITNESS CARMODY: Yes, it does.

12 MR. SALINGER: Thank you.

13 MS. CARPINO: Thank you. Does Verizon  
14 have any questions?

15 MR. ROWE: I need to talk with my panel  
16 for a moment.

17 MS. CARPINO: We'll take five.

18 (Recess taken.)

19 MS. CARPINO: Mr. Beausejour or Mr.  
20 Rowe, do you have any questions?

21 MR. BEAUSEJOUR: We have no questions.

22 MS. CARPINO: Mr. Simon?

23 EXAMINATION

24 BY MR. SIMON:

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1 Q. Mr. Carmody, if I can refer you back to  
2 Paragraph 75 of Verizon's supplemental OSS  
3 affidavit. Verizon makes a couple of statements  
4 regarding the fact that AT&T's production testing in  
5 Massachusetts was not a cooperative effort and that  
6 AT&T declined to share its data or to adopt a naming  
7 convention. Is that in fact the case?  
8 A. [CARMODY] Well, AT&T by agreement with Bell  
9 Atlantic, we did not want to provide any kind of  
10 tracking for orders, because we're doing production  
11 testing, not test-environment testing. The  
12 difference for AT&T is that, when we do production  
13 testing of this type, we do not want anyone in Bell  
14 Atlantic to hand-hold or manage orders; we want to  
15 get the full experience of production and ensure  
16 that no one intercedes or assists the production  
17 systems, production processes, or even the TISOC if  
18 it's manually handled. We want to understand  
19 exactly what's going on within their production  
20 process, and we want to be able to experience their  
21 production process.  
22 Q. At the conclusion of AT&T's production test,  
23 and prior to providing information in response to  
24 discovery requests, did AT&T provide any of their

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1 A. [CARMODY] Yes, it was.  
2 MR. BEAUSEJOUR: I'd like to ask as a  
3 record request that AT&T produce a copy of that  
4 agreement.  
5 MR. SALINGER: Verizon has that  
6 agreement. Verizon's a signatory to it.  
7 MR. SIMON: That's fine. The Department  
8 will make that request.  
9 MS. CARPINO: That's proposed Record  
10 Request DD.  
11 (RECORD REQUEST.)  
12 MS. CARPINO: The Department has no  
13 further questions. Thank you, Mr. Carmody.  
14 Mr. McDonald, you have two witnesses.  
15 MR. McDONALD: John Sivori and Sherry  
16 Lichtenberg, both of whom I believe were asked  
17 questions earlier today.  
18 MS. CARPINO: Do you have presentations?  
19 MR. McDONALD: We have presentations,  
20 yes.  
21 JOHN SIVORI and SHERRY  
22 LICHTENBERG, Witnesses  
23 MS. CARPINO: Mr. Sivori, do you swear  
24 or affirm that the testimony you are about to give

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1 results to Verizon for discussion?  
2 A. [CARMODY] No, we did not.  
3 Q. Did AT&T not see any need, in order to  
4 resolve any issues that were raised at that point?  
5 For instance, the issues concerning missing  
6 notifiers, late completion notices?  
7 A. [CARMODY] Can you repeat that?  
8 Q. Was it AT&T's belief that there was no  
9 reason to present this information to Verizon for  
10 coordination, for possibly resolving these issues?  
11 A. [CARMODY] The agreement was to provide data  
12 to Bell Atlantic upon submission to any regulatory  
13 body, and we did that.  
14 MR. SIMON: That's all I have.  
15 MR. BEAUSEJOUR: I have a question.  
16 MS. CARPINO: Mr. Beausejour?  
17 CROSS-EXAMINATION  
18 BY MR. BEAUSEJOUR:  
19 Q. Mr. Carmody, you mentioned "by agreement,"  
20 that there was not to be any sharing of the  
21 information between the parties.  
22 A. [CARMODY] By agreement, we would share data  
23 if it was provided to any regulatory bodies.  
24 Q. Does that mean a written agreement?

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1 today is the whole truth?  
2 WITNESS SIVORI: Yes, I do.  
3 MS. CARPINO: And do you adopt  
4 statements you made before this Department in this  
5 proceeding last year as the truth?  
6 WITNESS SIVORI: Yes, I do.  
7 MS. LICHTENBERG: Thank you. As most of  
8 you know, I am Sherry Lichtenberg, from WorldCom.  
9 At WorldCom my position is to get us into the local  
10 markets, and once we are there, it is to understand  
11 and resolve problems, to work collaboratively with  
12 the incumbent local company, and to try to make  
13 things work for customers on both sides of the  
14 equation.  
15 It seems that my life is doomed to be  
16 complete repetition. Last summer I spent the waning  
17 days testifying in 271 hearings in New York, and now  
18 we are here. The difference, I guess, is that I  
19 don't get to leave for the fat farm after this; I  
20 have to go back to work.  
21 Just to bring us into context in terms  
22 of customers and customer experience and business  
23 requirements that these OSS's support, let me talk  
24 for a minute about where we are in Massachusetts and

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1 where we were at a similar point in time in New  
2 York. Mr. Miller testified today that there are  
3 about 5,000 UNE-P orders submitted via GUI and via  
4 EDI in Massachusetts in the month of July. An  
5 equivalent number in New York was over 30,000. We  
6 received two reasons that we have not yet been able  
7 to launch in Massachusetts, and I have no intention  
8 of going into them.

9 What I do want to talk about is the  
10 tests that have to be placed on any sort of trading  
11 partners to make sure that those partners' customers  
12 don't suffer when competition does begin. When you  
13 don't have large volumes of real orders and large  
14 volumes of customers actually moving between  
15 carriers, actually getting the benefits of local  
16 competition, you need to have some kind of  
17 surrogate. Here in Massachusetts we had KPMG, and  
18 we'll talk much more about that next week.

19 But I want to point out that when you  
20 don't have the levels of competition that will  
21 reveal problems, you must pay more attention and you  
22 must test more stringently to make sure that the  
23 citizens of the Commonwealth will not be  
24 disadvantaged when competition comes to them.

1 customer orders are delayed, not filled properly,  
2 misplaced, lost. Problems happen, and customers  
3 again are the ones impacted.

4 These flow-through numbers were the  
5 subject of a number of promises. The one that I  
6 remember best is the October 8th, 1999 promise to  
7 flow through supplements to cancel orders. I was  
8 pleased to hear that today, on the 22nd, I believe,  
9 of August, 2000, we can now flow through  
10 supplemental orders and that that change was made  
11 last weekend. I was also pleased to hear that  
12 despite the problem with customers who have gone to  
13 CLECs and then been disconnected for nonpayment of  
14 previous Verizon bills, that that problem was  
15 corrected this weekend, too. Of course, we had a  
16 promise in June -- I'm sorry, we had a promise in  
17 May, May 26, to work it manually, yet the SNPs kept  
18 happening, the latest of which was on the 15th of  
19 this month. And those are customers who came to me,  
20 who wanted to be WorldCom customers and who were  
21 getting service, and who were paying their bills but  
22 lost the ability to make phone calls because the  
23 OSS's still weren't working, still had a problem  
24 that again has been going on for over a year.

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1 There is deja vu. We've heard about  
2 documentation problems and change-management  
3 problems and testing problems and EDI problems, and  
4 Mr. Sivori will talk to them in more detail. We've  
5 talked about the GUI and the outages that have  
6 hampered CLECs and hurt CLEC customers.

7 One of the reasons that I really  
8 appreciate these technical sessions is that we learn  
9 a lot. What I've learned today is that the GUI  
10 metric measures GUI path availability -- perhaps  
11 that is the best way to say it. It doesn't measure  
12 whether I can get information for my customer or  
13 issue a trouble ticket for my customer or help that  
14 customer to get service. It measures overall  
15 whether some CLEC can do that. It's the customer  
16 that counts.

17 We've also talked about the issue of  
18 flow-through. In New York at this time period flow-  
19 through was about 70 percent, and there was a  
20 promise to bring it up to 90 to 95 percent.  
21 Mr. Miller testified that in Massachusetts flow-  
22 through for resale is 53 percent and flow-through  
23 for UNEs, including UNE-P, on this small base of  
24 orders is 37 percent. Without flow-through,

1 What troubles me most, of course, is  
2 that Mr. Carmody has noted that AT&T is missing  
3 notifiers. KPMG missed notifiers in this current  
4 test. And Verizon's response is it was a minor  
5 system glitch. It's deja vu all over again. A  
6 minor system glitch was the explanation for the  
7 missing notifiers originally testified to by  
8 WorldCom in the New York proceedings. It took  
9 thousands and thousands of customer orders that were  
10 lost in order to bring this glitch up to the  
11 category of a problem.

12 We don't want that to happen in  
13 Massachusetts. We want Massachusetts to make sure  
14 that when customers are able to be served by a  
15 competitive carrier that those problems have been  
16 identified, that root cause has been found, and that  
17 corrections have been made; that if we do have to  
18 have a change to the infrastructure, that that  
19 change is managed and monitored and doesn't result  
20 in a system glitch that strands customers without  
21 service or somewhere in the Never-Never Land of  
22 trying to get service.

23 The loss-of-line report is another issue  
24 that needs to be rectified because of the impact on

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1 customers. I was frankly disheartened by the  
2 comments that Mr. Sampson made, that it's a little  
3 problem. For the customer who tried to leave a CLEC  
4 and is still getting billed by that CLEC it's not a  
5 little problem. For a customer who came to a CLEC  
6 and then the CLEC received a loss-of-line report for  
7 that customer, only as happened already once this  
8 year it was a new customer, it wasn't a lost  
9 customer, and the customer gets disconnected and  
10 needs to be reconnected, with the possibility of  
11 losing his or her telephone number -- something that  
12 is very important to all of us -- it's not a little  
13 problem.

14 The other issue on line-loss reports is,  
15 as Mr. Carmody said, if I don't receive the report  
16 that my customer has been lost, I have no way of  
17 informing Verizon that there is an error in the  
18 report. I don't know, because many customers leave  
19 me without calling up and saying, "I'd like to  
20 disconnect." They call the next person they want  
21 service with. That's the way competition works.

22 In addition, there have been instances  
23 with line-loss reports where CLECs have received  
24 other CLECs' line-loss reports. So now we have

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1 customers who may have left WorldCom but their  
2 report got delivered someplace else. They're going  
3 to keep being billed, and I can only hope that that  
4 CLEC will take that issue back to Verizon so Verizon  
5 can correct it.

6 These are not minor problems. These are  
7 problems that need to be addressed. These are  
8 problems that need to be worked through. They may  
9 be minor glitches. They may be semantic issues; I  
10 think I heard that before. But they need to be  
11 fixes that are fixed now, that are not promised  
12 today and then take a year to get to.

13 There are ongoing problems. WorldCom  
14 had two Verizon preorder outages today. Ticket  
15 No. 47346. Apparently there are problems with a  
16 processor named BED IP RET. I hope that because we  
17 are here in this session that Verizon can help us  
18 get to the root cause of that problem.

19 We need to know when changes are made.  
20 We need the documentation to be correct. We need to  
21 be able to serve customers. This is the forum that  
22 lets us do it. I urge this Department to be sure  
23 that customers can compete, to be sure that systems  
24 that are working for 5,000 orders can work for

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1 500,000 orders, that we can make competition happen,  
2 and that the little glitches, as we heard today,  
3 don't impact real, live customers.

4 John Sivori will talk to you about the  
5 specific issues that we have seen in OSS development  
6 and change management.

7 MS. CARPINO: Thank you. And then there  
8 is one.

9 MR. SIVORI: Good afternoon. I'm John  
10 Sivori. I represent the information technology  
11 organization for WorldCom. My job is to support our  
12 residential entry and build the interfaces. I, too,  
13 am an alumnus of Bell Atlantic. Mysteriously, a  
14 year ago my checks stopped. I can't understand why  
15 that happened. What I want to talk to you about  
16 today is the importance of documentation, the  
17 importance of change management, the importance of a  
18 CTE environment.

19 In its Massachusetts test KPMG  
20 documented examples of insufficient, incorrect  
21 documentation. Verizon continues to have  
22 significant change-management problems. In  
23 particular, each time it releases a new version of  
24 an interface, that interface is not ready. Verizon

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1 had substantial problems when it released LSOG 4 in  
2 February, when it released a new version of LSOG 4  
3 in June, and is having significant problems with a  
4 new billing and ordering process called expressTrak.  
5 Even if it ultimately fixes the problem, the  
6 change-management process is not working as it  
7 should be.

8 Verizon does not deny the existence of  
9 substantial problems with their February release of  
10 LSOG 4 but argues that things improved in June.  
11 However, KPMG again found significant documentation  
12 errors. Moreover, in testing the same release in  
13 Pennsylvania, KPMG found the Verizon test  
14 environment was not stable and that when it  
15 attempted to replicate the use of Verizon's internal  
16 test deck it experienced a high failure rate, a  
17 higher failure rate than Verizon had reported.

18 When documentation is incomplete or  
19 incorrect, competitors have great difficulty in  
20 entering the market or they cannot continue to  
21 compete effectively in the market. If the business  
22 rules by which the competitor must act generate  
23 results that the competitor cannot foresee and did  
24 not intend, the competitor cannot adequately serve

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1 its own customers. Poor documentation and the  
2 associated lack of adherence to change control can  
3 stop a competitor dead in its tracks and interrupt  
4 the availability of competitive products.  
5 In addition, WorldCom would like to see  
6 KPMG oversee the upcoming LSOG 4 release, LSOG 4-dot  
7 release. This oversight is required in light of the  
8 past performance by Verizon that KPMG found. Since  
9 this release is upcoming in October, we do not  
10 anticipate that it will delay Verizon's application.  
11 Finally, on the subject of  
12 documentation, a new billing system that will  
13 replace Verizon's service order process, or  
14 expressTrak, impacts virtually all aspects of  
15 Verizon's OSS. WorldCom ask that Verizon confirm  
16 the schedule as it rolls out and demonstrate that  
17 its documentation supports this new interface. I  
18 was glad to see today that the expressTrak will be  
19 part of the change-control process, because it will  
20 impact us greatly. Assuming the rollout of the  
21 expressTrak at the end of the year, now is the time  
22 for Verizon to be issuing correct documentation and  
23 adhering to the appropriate change-management  
24 procedures.

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1 Release of expressTrak was not in the  
2 KPMG report. This is because Verizon has claimed it  
3 to be a back-end change to its internal systems that  
4 would be transparent to the CLECs. By making that  
5 claim, however, Verizon has sought to remove the  
6 major change from the scrutiny of change-control  
7 procedures. Had Verizon implemented expressTrak  
8 pursuant to change management, we would already be  
9 months into the process.  
10 We urge the DTE to insist that Verizon  
11 adhere to change management and demonstrate to KPMG  
12 that its documentation is correct and is being given  
13 to the CLECs with sufficient notification, in  
14 accordance with change-management principles, which  
15 we note includes the opportunity for adequate  
16 testing before the rollout.  
17 Documentation and change management:  
18 Finally, Bell Atlantic asserts that 44 of WorldCom's  
19 issues concern EDI documentation, not business-rule  
20 documentation. As I've stated in the New York  
21 hearings many times that I've testified, I consider  
22 documentation to include both business rules and EDI  
23 rules. EDI is the protocol for transmitting the  
24 business rules associated with the back-end systems.

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1 so they have to be lockstep. If they're out of  
2 sync, we cannot do business.  
3 EDI documentation is just as important  
4 as a business rule because the interface is built in  
5 reliance on EDI documentation.  
6 As for the business rules, Bell Atlantic  
7 claims that many of WorldCom's documentation issues  
8 concern clarifications rather than errors. It is  
9 vital that documentation be clear as well as  
10 error-free.  
11 That concludes my comments.  
12 MR. GOLDMAN: I have a few questions.  
13 EXAMINATION  
14 BY MR. GOLDMAN:  
15 Q. Ms. Lichtenberg, you talked about the GUI  
16 outages, that we had a couple of trouble tickets we  
17 opened today for the GUI. You heard testimony  
18 earlier that Bell Atlantic implemented a fix for the  
19 GUI --  
20 I'm sorry, were today's trouble tickets  
21 related to the GUI or --  
22 A. [LICHTENBERG] Today's trouble tickets were  
23 EDI preorder. If I misspoke, let me clarify that.  
24 Q. And let me just ask you: What is WorldCom's

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1 process with respect to preorder? Do we use both  
2 EDI and the GUI?  
3 A. [LICHTENBERG] WorldCom primarily uses EDI  
4 preorder to obtain customer-service records, to do  
5 service-address validation. We use the GUI to  
6 report troubles through RETAS, the back-end -- the  
7 front-end trouble-processing system that Verizon has  
8 put in place. We use the GUI to submit some orders  
9 that need immediate handling or must be worked  
10 specially in our centers. And we use the GUI to  
11 check on the status of orders.  
12 Q. Now, with respect to the GUI, there was  
13 testimony earlier that Bell Atlantic or Verizon had  
14 implemented several fixes in the May and June time  
15 frame to decrease outages. Has WorldCom continued  
16 to experience outages subsequent to the final one of  
17 those fixes in June?  
18 A. [LICHTENBERG] WorldCom continues to  
19 experience outages on the GUI. There have been both  
20 unscheduled and scheduled outages. And if I can  
21 find the right piece of paper, I might be able to  
22 tell you all about them.  
23 We had GUI outages --  
24 Q. I believe the testimony was that the last

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1 fix was put into place on June 27th.  
2 A. [LICHTENBERG] We had outages on June 29th,  
3 June 30th, July 1, July 8, July 21, July 22, July  
4 23. In addition, there were trouble tickets issued  
5 on July 8th, July 15th, July 20th. We provided  
6 those trouble-ticket numbers, I believe, as part of  
7 our affidavit.  
8 Q. Mr. Sivori, you talked about the importance  
9 of documentation and change management and the KPMG  
10 findings with respect to documentation problems.  
11 Did WorldCom experience problems when it tested the  
12 release of LSOG 4.3.1 in June?  
13 A. [SIVORI] Yes, we did. It was at the time  
14 we were entering the Pennsylvania market, and we had  
15 serious problems with that.  
16 Q. Mr. Toothman I believe testified that  
17 WorldCom's errors were largely documentation  
18 clarification. Is that an accurate  
19 characterization?  
20 A. [SIVORI] I don't believe so. That's why I  
21 had the information request made, to see if there  
22 were flash announcements to come out and support our  
23 issue list.  
24 Q. What sort of issues did WorldCom experience

1 my part to support the interface, but I think  
2 ultimately we launched on time and over budget.  
3 WITNESS LICHTENBERG: You didn't tell me  
4 that part.  
5 Q. How many people were actually working to  
6 find and fix those documentation problems?  
7 A. [SIVORI] Over a period of three months,  
8 approximately 12 people.  
9 Q. Bell Atlantic in its declaration said that  
10 some of the problems during testing were WorldCom's  
11 fault because WorldCom submitted a late test plan  
12 and didn't submit test orders until, I believe, May  
13 31st. Is it accurate that any of these problems  
14 were WorldCom's fault?  
15 A. [SIVORI] We did have some problems, yes.  
16 We submitted the test plan -- we felt we submitted  
17 the test plan on time. We augmented the test plan,  
18 the test deck, and mutually we agreed on the test  
19 deck. We disagreed on some of the results of it.  
20 But some of those problems were ours, yes.  
21 Q. But the issues -- let's take it one step at  
22 a time. Was there an initial test deck that was  
23 submitted on May 8?  
24 A. [SIVORI] Yes.

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1 during that testing?  
2 A. [SIVORI] Documentation, what was -- I don't  
3 have that right at my fingertips. I'm sorry. I'd  
4 be guessing at this point.  
5 Q. Were there inconsistencies between the  
6 back-end coding or the responses WorldCom received  
7 and the business rules and the EDI documentation?  
8 A. [SIVORI] Yes, there were. The actual  
9 examples I do not have at my fingertips.  
10 Q. When Mr. Toothman says that many of the  
11 issues were clarification issues, is it important  
12 that those clarification -- even for those issues  
13 that were clarification issues, is it important that  
14 those clarifications be made?  
15 A. [SIVORI] Absolutely. Let me just explain  
16 real briefly the process. Both teams, when you're  
17 putting in a new interface, both teams, Bell  
18 Atlantic/Verizon and WorldCom, get together,  
19 determine what needs to be tested, determine what  
20 the results should be, analyze the results, and  
21 determine a process in order to put the interface  
22 in. And we worked rather hard on putting that  
23 interface in.  
24 It took a substantial amount of staff on

1 Q. Was that on time?  
2 A. [SIVORI] Yes.  
3 Q. And were the scenarios that were from that  
4 May 8 test deck, did those scenarios all work as  
5 they should have?  
6 A. [SIVORI] No, they did not.  
7 Q. There was a second test deck submitted on  
8 May 18th that you said augmented the initial test  
9 deck?  
10 A. [SIVORI] Yes.  
11 Q. Did Bell Atlantic object to that augmented  
12 test deck?  
13 A. [SIVORI] No, they did not.  
14 Q. And did the fact that the test deck was  
15 submitted on May 18th, was that in any way  
16 responsible for the problems that we found during  
17 testing?  
18 A. [SIVORI] No, they were not.  
19 Q. And Bell Atlantic says that we didn't begin  
20 testing until May 31st. That is accurate?  
21 A. [SIVORI] We started testing on May 22nd,  
22 which was several days past the initial CTE start  
23 date.  
24 MR. GOLDMAN: I think that's all that I



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1 have.  
2 MS. CARPINO: Thank you. Does Verizon  
3 have any questions?  
4 MR. BEAUSEJOUR: No, no questions.  
5 MS. CARPINO: I take it there's no  
6 redirect necessary for the CLEC witnesses.  
7 MR. SALINGER: Certainly not for AT&T.  
8 MS. CARPINO: Mr. Rowe or Mr.  
9 Beausejour?  
10 MR. ROWE: We'll need a couple of  
11 minutes to talk with our witnesses, given the length  
12 of the presentations.  
13 MS. CARPINO: We'll take five minutes.  
14 then.  
15 (Recess taken.)  
16 MS. CARPINO: Let's go back on the  
17 record. Mr. Rowe, do you have any redirect?  
18 MR. ROWE: We have two things, Your  
19 Honor. First, there was a record request earlier  
20 for a reconciliation of sorts between the system  
21 availability and the reported MCI outages.  
22 MS. CARPINO: Right.  
23 MR. ROWE: We would propose to add to  
24 that record request the reconciliation of the AT&T

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1 validation transaction, and that's available both  
2 EDI and Web GUI.  
3 The second clarification I'd like to  
4 make was regarding a question concerning how to  
5 determine if an order is queried and how the work  
6 list -- and that was the term we used, the work  
7 list -- in the GUI would look. Each time a Web GUI  
8 user -- this would be a CLEC representative Web GUI  
9 user -- signs on and goes to the service-order page  
10 of the GUI, the user is presented with a list of all  
11 the service-order transactions that particular GUI  
12 user has entered, including all the purchase-order  
13 numbers and the responses. This page would be  
14 analogous to a list of all the e-mails a person  
15 would get, with a date and the topic and so forth.  
16 You do not have to go order by order to see if a  
17 particular order was in a query state; you could  
18 merely see a list of all the orders you sent, and  
19 there would be a status column.  
20 MS. CARPINO: Thank you.  
21 MR. ROWE: Mr. Miller?  
22 WITNESS MILLER: I, like Ms.  
23 Lichtenberg, have a sense of deja vu, or maybe I  
24 should say vuja de, which is an uncanny feeling that

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1 reported outages that we've talked about so often  
2 today.  
3 MS. CARPINO: Do you happen to know the  
4 letter offhand?  
5 MR. ROWE: I think it was 1-5, but I  
6 can't say that for certain.  
7 MS. CARPINO: The record-request letter.  
8 MR. ROWE: I wouldn't be sure I have it.  
9 We have one vote for X. Yes, it was X.  
10 MS. CARPINO: So we will propose to  
11 modify proposed Record Request X to address the AT&T  
12 documentation as well.  
13 MR. ROWE: On system outage; right.  
14 (RECORD REQUEST AMENDMENT.)  
15 MR. ROWE: With that, we have two  
16 panelists to add responses. First, Mr. Sullivan on  
17 a couple of points that were raised, and then  
18 Mr. Miller.  
19 SEAN J. SULLIVAN and  
20 STUART MILLER, Witnesses  
21 WITNESS SULLIVAN: Sean Sullivan.  
22 Yesterday there was a question concerning CLLI code  
23 and how to obtain a CLLI code. The CLLI code is  
24 available today via the conversational address

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1 you don't want to be here again.  
2 MS. CARPINO: We take that personally,  
3 Mr. Miller.  
4 (Laughter.)  
5 WITNESS MILLER: The first thing I  
6 wanted to say was that we are here, as I think  
7 everybody understands, talking about very complex  
8 systems that are very intricate, having spent many  
9 years getting into place on both sides of the  
10 equation, both on the ILEC's side and on the CLECs'  
11 side. Certainly for this industry it's the first  
12 time that there has had to be such an extensive  
13 method of trading-partner communications in order  
14 for the effective communication to work.  
15 We've heard in the last couple of days  
16 some examples where those communications have broken  
17 down -- the human communications, I mean, not the  
18 physical communications. Other industries have  
19 found ways around this. The finance industry, the  
20 travel industry, and so on have eventually got to  
21 the point where they do communicate effectively  
22 between trading-partner systems and do conduct  
23 business very effectively.  
24 I think we have shown very clearly that

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1 as an industry we're moving very rapidly in that  
2 direction. We do certainly have a few minor  
3 glitches of human communication that we need to  
4 clear up. So I just wanted to make that statement  
5 so that the Department really understands the  
6 complexity of this business.

7 Second is a couple of points that Ms.  
8 Lichtenberg also said about flow-through. I think  
9 there we need to correct the record. I think she  
10 was comparing apples and oranges when comparing  
11 experience in New York last year with the experience  
12 in Massachusetts at present. We have said on  
13 numerous occasions, first of all, that flow-through  
14 definitely benefits both parties. There's no  
15 misunderstanding about that. The more that we can  
16 get, the better off we both are.

17 Secondly, it is very product-specific.  
18 Thus, the processes and systems necessary to handle  
19 certain types of product orders are a lot more  
20 complex than they are to handle others. We have  
21 known this for some time. I believe when Ms.  
22 Lichtenberg was referring to the flow-through being  
23 experienced in New York last year, she was referring  
24 to the UNE-platform flow through, which is a very

1 the week, and we will be back here Monday morning at  
2 10:00 a.m. with KPMG's witnesses.

3 With that, we're off the record.  
4 (6:10 p.m.)  
5  
6  
7

8  
9 **CERTIFICATE**

10 I, Alan H. Brock, Registered Professional  
11 Reporter, do hereby certify that the foregoing  
12 transcript is a true and accurate transcription of  
13 my stenographic notes taken on August 22, 2000.  
14  
15

16  
17 

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Alan H. Brock, RDR/CRR  
18  
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21  
22  
23  
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1 high-volume flow-through, and has improved  
2 significantly in the New York domain and rolled out  
3 into the Massachusetts domain at the same time. She  
4 was comparing that with Massachusetts resale  
5 experience now. So I just wanted to correct that.

6 Finally, I think I wanted to point out  
7 that, whereas the Massachusetts systems are being  
8 asked to handle up to 50,000 orders per month right  
9 now, that is not at the 500,000 level that Ms.  
10 Lichtenberg references. However, those same systems  
11 are handling 500,000 orders per month. They have  
12 been, plus or minus 10 percent, since March of this  
13 year. So we think that those systems have proved  
14 themselves at the kind of volumes that we expect to  
15 get into the business. If it was 500,000 orders per  
16 month in Massachusetts that we would all be required  
17 to handle, we would all be sitting in a different  
18 place nine months from now, because we would have no  
19 customers left in Verizon.

20 Thank you.

21 MS. CARPINO: Is there anyone else?

22 MR. ROWE: That's all we have.

23 MS. CARPINO: I would like to thank all  
24 the witnesses and the attorneys. We are done for

1 **I N D E X**

2  
3 Checklist Item No. 2 (UNE Pricing)

4 VIJETHA HUFFMAN, AUGUST H. ANKUM,  
5 and THOMAS LoFRISCO, Page 4627

6 4654 by Ms. Reed

7 4656 by Mr. Beausejour

8 4684 by Mr. Isenberg

9 PEGGY RUBINO

10 4674 by Mr. McDonald

11 4674 by Ms. Reed  
12

13 Checklist Item No. 2 (OSS)

14 BRIAN BARRY, MARILYN DeVITO, PAUL HAVEN, KATHLEEN  
15 McLEAN, STUART MILLER, RICHARD SAMPSON, THOMAS  
16 SAUTTO, SEAN J. SULLIVAN, R. MICHAEL TOOTHMAN, JULIE  
17 CANNY, and BETH ABESAMIS, Page 4678

18 4679 by Mr. Hazzard

19 4685 by Mr. Salinger

20 4732 by Mr. Simon

21 4733 by Mr. Salinger

22 4734 by Mr. Goldman

23 4771 by Ms. Kinard

24 4786 by Ms. Scardino

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1 4791 by Ms. Lichtenberg  
2 4714 by Mr. Sivori  
3 4797 by Mr. Simon  
4 PEGGY RUBINO, Page 4800  
5 LUKE CONRY and TORRE D. McKIVER, Page 4803  
6 4814 by Ms. Kinard  
7 WILLIAM B. CARMODY, Page 4822  
8 4838 by Mr. Simon  
9 4840 by Mr. Beausejour  
10 JOHN SIVORI and SHERRY LICHTENBERG, 4841  
11 4853 by Mr. Goldman  
12 SEAN J. SULLIVAN and STUART MILLER, Page 4860  
13  
14  
15 Exhibits - None  
16  
17 Record Requests  
18 320 4672  
19 321 4672  
20 322 4672  
21 323 4672  
22 324 4672  
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24

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1 VOL. 25, PAGES 4869-5055

2 COMMONWEALTH OF MASSACHUSETTS

3 DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

4 DTE 99-271

5  
6 TECHNICAL SESSION held at the Department of  
7 Telecommunications and Energy, One South Station,  
8 Boston, Massachusetts, on August 28, 2000,  
9 commencing at 10:05 a.m., concerning:

10  
11 VERIZON - MASSACHUSETTS  
12  
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19  
20

21 ----- ALAN H. BROCK, RDR/CRR -----

22 FARMER ARSENAULT BROCK LLC

23 10 MILK STREET - BOSTON, MASS. 02108

24 617-728-4404

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1 SITTING: James Connelly, Chairman  
2 Paul B. Vasington, Commissioner  
3 Cathy Carpino, Hearing Officer  
4 Michael Isenberg, Director,  
5 Telecommunications Division  
6 April Mulqueen, Analyst  
7 Scott Simon, Analyst  
8  
9

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21 for Verizon - Massachusetts  
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1 August 28, 2000 10:05 a.m.  
2 PROCEEDINGS  
3 CHAIRMAN CONNELLY: Good morning to one  
4 and all. This is a continuation of the Department's  
5 proceeding in 99-271, which is the Department's  
6 effort to hear from everyone concerning its future  
7 consultative role with the FCC on the state of the  
8 objective conditions of the market in telephony in  
9 Massachusetts. And part of the inquiry into the  
10 objective conditions of the telephony market in  
11 Massachusetts for the 271 exercise is to hear from  
12 persons who have been conducting OSS testing on  
13 behalf of the Department as its contract agent.  
14 I will turn the matter over to Ms.  
15 Carpino, who is most familiar with that subject.  
16 MS. CARPINO: Good morning, everyone.  
17 Why don't we just get right to it and go ahead and  
18 swear in the KPMG witnesses. Why don't we swear in  
19 everyone that KPMG anticipates may be talking at  
20 some point right now.  
21 RAYMOND W. SEARS, III, JOSEPH  
22 DELLATORRE, KEVIN MERRITT, DIANA K. CAMPBELL,  
23 MARIE L. HOLMES, MICHAEL BUJAN, MARY ANN QUINN,  
24 NICOLE GIUGNO, MAN SETH, PHILIP N. PHAN, and LEO

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1 LEUNG Sworn  
2 MS. CARPINO: Do you swear or affirm  
3 that the testimony you're about to provide will be  
4 the whole truth?  
5 THE WITNESSES: I do.  
6 CHAIRMAN CONNELLY: About 10 or 11  
7 people raised their hands. For the purposes of the  
8 record, I'll start with the first one, and if you  
9 would identify yourself, your affiliation, your  
10 title.  
11 WITNESS DELLATORRE: Joseph DellaTorre,  
12 manager with KPMG. I was the project manager for  
13 Massachusetts.  
14 WITNESS HOLMES: I'm Marie Holmes. I'm  
15 a senior manager with KPMG, and I was the billing  
16 domain leader of Massachusetts.  
17 WITNESS SEARS: I'm Ray Sears, and I am  
18 a senior vice-president of KPMG.  
19 WITNESS MERRITT: Kevin Merritt, senior  
20 consultant.  
21 WITNESS PHAN: Philip Phan, senior  
22 consultant, KPMG.  
23 WITNESS SETH: Man Seth, consultant,  
24 KPMG.

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1 WITNESS GIUGNO: Nicole Giugno, senior  
2 consultant, KPMG.  
3 WITNESS QUINN: Mary Ann Quinn, senior  
4 manager.  
5 WITNESS BUJAN: Michael Bujan, senior  
6 manager, KPMG.  
7 WITNESS CAMPBELL: Diana K. Campbell,  
8 Senior Manager, KPMG.  
9 WITNESS BOWERS: Jim Bowers, manager,  
10 KPMG.  
11 WITNESS LEUNG: Leo Leung, senior  
12 consultant, KPMG, relationship management and  
13 infrastructure domain leader.  
14 CHAIRMAN CONNELLY: Mr. Sears, you're  
15 the leader of this group; is that right?  
16 WITNESS SEARS: Yes, I am.  
17 CHAIRMAN CONNELLY: Is that the universe  
18 here?  
19 WITNESS SEARS: That's the universe that  
20 we're planning on having testify over the next two  
21 days.  
22 CHAIRMAN CONNELLY: Thank you.  
23 MS. CARPINO: Pursuant to the procedural  
24 schedule, we will begin our discussion with M&R, and

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1 then go to billing. The Department had asked  
2 participants to provide KPMG with written questions.  
3 Three participants did so: WorldCom, Rhythms, and  
4 AT&T. So we'll begin the questioning with those  
5 three carriers. But before we do, Commissioner  
6 Vasington has a statement he would like to read.  
7 COMMISSIONER VASINGTON: Some final  
8 cleanup on KPMG's report. KPMG issued 16 exceptions  
9 during the course of its evaluation in  
10 Massachusetts. KPMG has closed 14 of those  
11 exceptions and the two remaining exceptions are Nos.  
12 14 and 16. Exception 14 states that "KPMG is unable  
13 to replicate certain metrics values reported on the  
14 Bell Atlantic - Mass. carrier-to-carrier reports as  
15 a result of change management and calculation  
16 issues."  
17 There are two results listed in the  
18 reports related to Exception 14 that are rated as  
19 not satisfied: PMR-1-1-12, which is found on Page  
20 648 of the report, and PMR-1-3-12, which is found on  
21 Page 656 of the report. Verizon has implemented a  
22 procedure for change management of metrics, but KPMG  
23 has not had an opportunity to see it put to use yet  
24 because it was implemented after the last

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1 measurement period had ended.  
2 Exception 16 states, "Verizon's interval  
3 guide documentation for ISDN migrations is  
4 incomplete. KPMG Consulting has noticed instances  
5 where the desired due date on its ISDN migration  
6 orders is not confirmed by Verizon on the local  
7 service request local response. Root-cause analysis  
8 has shown that Verizon's interval guide  
9 documentation for ISDN migrations is incomplete."  
10 There was one result listed in the  
11 report related to Exception 16 that is rated as not  
12 satisfied, and that is POP-1-9-4, found on Page 62  
13 of the report. This issue has to do with LSOG 4 due  
14 dates.  
15 The Department has decided to proceed  
16 with these exceptions in the following manner:  
17 These two exceptions will be resolved by the  
18 Department staff doing its own evaluation of the  
19 remaining items. We will not ask KPMG to do any  
20 further testing in Massachusetts. Therefore, these  
21 exceptions will not be closed in KPMG's report, and  
22 the report will contain the three not-satisfied  
23 ratings.  
24 In terms of Exception 14, Verizon has

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1 certain questions that we said weren't to be pursued  
2 this morning?  
3 MR. McDONALD: There was.  
4 COMMISSIONER VASINGTON: That was one of  
5 them, wasn't it?  
6 MR. McDONALD: It was not.  
7 MS. CARPINO: Our apologies. That was  
8 one that was supposed to be on our list of questions  
9 we don't think relevant. We simply neglected to  
10 mention it to you.  
11 COMMISSIONER VASINGTON: My apologies.  
12 Mr. McDonald.  
13 Q. The third subsection of this question is:  
14 Was KPMG ultimately responsible for decisions not to  
15 retest certain issues?  
16 A. [SEARS] No.  
17 Q. Who was ultimately responsible for decisions  
18 not to retest certain issues?  
19 A. [SEARS] Those decisions were taken  
20 collaboratively with the DTE.  
21 Q. WorldCom has recent evidence that the  
22 root-cause problems, failure to adequately test new  
23 documentation in particular, remain and are  
24 critical. With each new Verizon release, CLECs

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1 consistently face time-consuming and expensive  
2 recoding, retraining, and retesting issues similar  
3 to the problems that KPMG faced in a controlled test  
4 environment. As recently as the week these  
5 questions were submitted, WorldCom had problems in  
6 processing market-entry orders via LSOG 4 EDI in  
7 Pennsylvania's market entry due to incorrect Verizon  
8 documentation. These documentation and change-  
9 management issues were a problem in New York as  
10 well. Did KPMG require Verizon - Massachusetts to  
11 perform root-cause analysis on all software  
12 problems?  
13 A. [SEARS] KPMG is not in a position in this  
14 test to require Verizon to perform root-cause  
15 analysis, and it did not.  
16 Q. At any point did KPMG make any  
17 recommendations as to whether or not Verizon -  
18 Massachusetts should perform root-cause analysis on  
19 software problems?  
20 A. [SEARS] We were not asked to comment on  
21 that issue, so we did not.  
22 Q. At any point did KPMG express an opinion to  
23 the Department on whether or not Bell Atlantic  
24 should perform root-cause analysis with respect to

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1 software problems?  
2 A. [SEARS] I don't believe we did, no.  
3 Q. Were root-cause analyses performed on any  
4 software problems?  
5 A. [SEARS] It's very possible that Bell  
6 Atlantic performs root-cause analysis on software  
7 problems. KPMG is not in a position to perform  
8 root-cause analysis on Bell Atlantic's software  
9 problems.  
10 Q. But did KPMG review the process by which  
11 Verizon did perform root-cause analyses on software  
12 problems?  
13 A. [SEARS] May I defer the answer to that  
14 question? That may potentially have been covered in  
15 our -- in some of our reviews in other areas, but it  
16 would be a witness that's not here. It would be in  
17 some of our process work in relationship management  
18 and infrastructure.  
19 CHAIRMAN CONNELLY: Mr. Sears, can you  
20 speak up? You're very hard to hear.  
21 A. [SEARS] I don't believe we did. There is a  
22 remote possibility, and I'm going to have to ask  
23 someone who is not in the room right now whether we  
24 did or not.

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1 Q. Since this was a military test, how was it  
2 determined that the test could be concluded before  
3 all exceptions and observations were closed?  
4 A. [SEARS] I think Mr. Vasington just  
5 addressed that.  
6 Q. And the items that Mr. Vasington spoke of  
7 earlier are also the only areas in which KPMG did  
8 not complete its testing; is that right?  
9 A. [SEARS] Actually, KPMG did complete its  
10 testing in those areas. The results were not  
11 satisfied. Those three criteria represent the only  
12 criteria that contain a not-satisfied evaluation in  
13 our report, yes.  
14 Q. And for which there will not be a KPMG  
15 retest.  
16 A. [SEARS] There will not be a KPMG retest.  
17 Those items will remain not satisfied.  
18 Q. How does the observations exceptions process  
19 fit into this test approach described in Section 5  
20 of the report?  
21 A. [SEARS] The observations and exceptions  
22 process is a way of notifying the CLEC community and  
23 Bell Atlantic about issues which KPMG is typically  
24 unable to resolve through a perhaps more standard

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1 process. It represents a subset of the troubles and  
2 the issues that KPMG finds during the course of its  
3 test. And they tend to be raised as an observation  
4 and exception because a more normal error resolution  
5 process can't be employed.  
6 Q. I'm not sure what I understand what you mean  
7 by "a more normal or standard resolution process."  
8 A. [SEARS] KPMG, we probably opened hundreds  
9 of trouble tickets during the course of this  
10 evaluation, for example, all the way from order and  
11 help-desk tickets to M&R help-desk tickets, and they  
12 represent a very traditional way for a CLEC to  
13 notify Bell Atlantic it's having a problem.  
14 Observations and exceptions tend to happen when  
15 those normal processes are not adequate to respond  
16 or don't result perhaps in a timely response.  
17 Q. When you say "don't result in a timely  
18 response," a timely response from Verizon?  
19 A. [SEARS] That's correct.  
20 Q. Could you explain how observations differ  
21 from exceptions?  
22 A. [DELLATORRE] Exceptions by definition will  
23 result in a not satisfied in the report if they go  
24 uncorrected. Observations are findings. They often

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1 differ in materiality from the exception. If we  
2 find one example of a problem, we'll raise it as an  
3 observation. If it's not satisfied through the  
4 other processes that Ray referenced, such as the  
5 help desk, we'll raise an issue as an observation.  
6 Q. That sounds like it's an example of a  
7 difference between an observation and exception, if  
8 you find one thing wrong, it may be an observation.  
9 Is there more of a definition of what an observation  
10 is versus what an exception is?  
11 A. [DELLATORRE] We do have --  
12 A. [CAMPBELL] I'll read: "If the consultant  
13 determines that the test reveals that one of Bell  
14 Atlantic's practices, policies or system  
15 characteristics (the 'Bell Atlantic arrangements')  
16 might result in a negative finding in the  
17 consultant's final report, the consultant shall  
18 identify the Bell Atlantic arrangement as an  
19 observation.  
20 "An exception: If the consultant  
21 determines that the test reveals that one of Bell  
22 Atlantic's arrangements is expected to not satisfy  
23 one or more of the criteria identified in the  
24 Massachusetts master test plan, the consultant shall

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1 identify the Bell Atlantic arrangement as an  
2 exception."  
3 Q. Could you tell me what you were just reading  
4 from?  
5 A. [CAMPBELL] I'm reading from some notes that  
6 I wrote.  
7 Q. Is it possible for me to get a photocopy of  
8 your notes with respect to those definitions?  
9 MS. CARPINO: Has that definition been  
10 formalized anywhere in the master test plan?  
11 A. [DELLATORRE] I don't believe that's from  
12 the MTP.  
13 WITNESS CAMPBELL: It's not from the  
14 MTP.  
15 CHAIRMAN CONNELLY: So what is it?  
16 WITNESS CAMPBELL: It's from the  
17 original contract.  
18 CHAIRMAN CONNELLY: Between?  
19 WITNESS CAMPBELL: Between the  
20 Department, Bell Atlantic, and KPMG.  
21 WITNESS SEARS: It's an excerpt from our  
22 contract.  
23 CHAIRMAN CONNELLY: We have it, then.  
24 Q. Please explain fully how and when

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1 observations reach the level of exceptions.  
2 A. [SEARS] I don't know that that's a more  
3 full explanation than the one you just got.  
4 Perhaps to clarify: An observation  
5 would tend to be issued by the main lead or someone  
6 actually working in a particular functional area.  
7 They might issue an observation if they found  
8 perhaps, let's say, one record in error out of a  
9 couple thousand. There would be a consultative  
10 process, and there would be a matching of that  
11 observation to an evaluation criteria, and if it  
12 appeared that the level of problem was sufficient  
13 enough that that criteria, if evaluated at that  
14 point in time, would have been a not satisfied, then  
15 it would have been converted into an exception.  
16 So I think the difference between an  
17 observation and an exception is that there's some  
18 time, there's a period for clarification, because  
19 obviously in all of our observations we're not  
20 correct with our first assertion. There's a time  
21 for exchange of information. That will allow us to  
22 better clarify the impact of the observation. And  
23 then if it's still clear after that period of time  
24 that there's going to be a criteria-affecting



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1 problem, then we'll issue an exception -- then we  
2 would have issued an exception.  
3 Q. Section 5.5 of the executive summary  
4 describes the evaluation criteria. Could you define  
5 KPMG's process or the criteria for reaching a  
6 satisfied result?  
7 A. [SEARS] There are several ways to reach a  
8 satisfied result, most of which -- many of which  
9 involve evaluating the performance of Verizon in our  
10 test against objective criteria that were set by the  
11 Massachusetts DTE. There are perhaps three  
12 different ways of arriving at a satisfied result,  
13 one of which is to compare our results to a set of  
14 quantitative criteria and see if Verizon actually --  
15 I'm going to have trouble not doing "Bell  
16 Atlantic" -- but seeing if Verizon actually met that  
17 criteria or actually met the performance standard  
18 that was developed by the DTE.  
19 There are lots of criteria where simply  
20 the evaluation criteria's presence or absence --  
21 does the process exist or does it not exist, does a  
22 table of contents exist or does a table of contents  
23 not exist?  
24 And then in the third area there are

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1 some that are subject to fundamentally our judgment,  
2 where it's not a presence-or-absence criteria, it's  
3 not a quantitative criteria, but it's an evaluation  
4 criteria where no quantitative measure exists. And  
5 in those situations a satisfied was generally based  
6 on predetermined standards that we used before we  
7 actually did the evaluation. So as opposed to being  
8 DTE standards, they were KPMG standards.  
9 Q. Just going back to the first one, where you  
10 compared a quantitative criteria: An example of  
11 that would be if there was a benchmark set that  
12 something had to happen 95 percent of the time, if  
13 it happened less than 95 percent of the time then  
14 that would result in a not satisfied?  
15 A. [SEARS] If we were comparing -- if it were  
16 a stand-alone criteria, where that particular -- the  
17 reason I'm giving you --  
18 Many of our criteria have multiple  
19 elements to them. But if it were a single stand-  
20 alone criteria and that were the criteria -- 95  
21 percent of LSCs returned within two hours -- and  
22 that criteria were relevant and Bell Atlantic's  
23 performance exceeded that, then it would have been  
24 satisfied; if it fell below that, then it would have

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1 been a not satisfied.  
2 Q. And for the third item, where it's  
3 essentially KPMG's judgment: You said it would have  
4 been based on predetermined KPMG standards. How  
5 were those standards formulated?  
6 A. [SEARS] They were formulated in general --  
7 they were formulated from a lot of different  
8 perspectives. We tried to stick with the same sorts  
9 of standards, so we looked for corollaries in the  
10 published standards. So what you'll find in a lot  
11 of cases is our standard is also 95 percent within a  
12 certain amount of time.  
13 There are a few areas where we differ --  
14 for example, I believe in some of the provisioning  
15 areas, where we're looking at exact adherence to  
16 process steps, without regard to outcome. I think  
17 the standard is a little bit lower. I believe in  
18 other proceedings we've used a 90 percent baseline  
19 as kind of the minimum for a standard. But it  
20 really depended on our expertise, it depended on  
21 feedback we heard from the CLECs, and it depended on  
22 a lot of factors and really varied with the  
23 individual criteria.  
24 Q. One of them that you just mentioned I'm not

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1 sure I understand: process steps without regard to  
2 outcome. Could you give me a for-instance for that?  
3 A. [SEARS] There are some circuits that are  
4 extremely complex in provisioning, and they have  
5 very long, 20 -- 30-step processes required. And so  
6 we looked at both adherence to the process and did  
7 the circuit actually work, for example. It's a  
8 little bit hypothetical.  
9 So what we wanted to make sure is that  
10 the circuit worked according -- that they hit their  
11 performance standard, did the circuit come up on  
12 time. And then the question is did they exactly  
13 follow all the process steps in the right order?  
14 Since oftentimes it really doesn't  
15 matter from a quality standpoint whether you do Step  
16 3 before Step 2 or Step 4 before of Step 3, in those  
17 cases we may have allowed them perhaps for a  
18 different standard of performance for the adherence  
19 to the process steps, as long as the outcome was  
20 what we wanted and as long as the process steps were  
21 executed. In a lot of cases it's the execution of  
22 the process steps themselves, not necessarily the  
23 order in which they're executed, that's critical.  
24 CHAIRMAN CONNELLY: Do you have any more